



Participant Manual

Beverage Distributor

Beverage Manufacturer



**CALIFORNIA
BEVERAGE CONTAINER RECYCLING
PROGRAM**

Participant Manual

for

Beverage Manufacturers
Beverage Distributors

Revised
January 1, 2004

**State of California
Department of Conservation
Division of Recycling**

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PREFACE

This manual has been prepared by the Department of Conservation's Division of Recycling (Department) for industry participants of the California Beverage Container Recycling and Litter Reduction Act (Act).

The manual is designed to assist program participants in completing the various reporting forms required by the Public Resources Code, Division 12.1 (PRC) and Title 14 of the California Code of Regulations (14CCR).

Excerpts and paraphrasing of applicable supporting sections of the PRC and 14CCR have been included throughout this manual along with references to the sections used. Although this manual was developed to assist participants in completing beverage manufacturer and distributor reports, it is not intended to replace the PRC and/or 14CCR pertaining to beverage manufacturers and distributors. Therefore, participants should refer to the referenced sections of the PRC and 14CCR for the full context of each section.

SECTION I – Introduction**A. Overview of the California Beverage Container Recycling and Litter Reduction Act (Act)**

The Act established the California Beverage Container Recycling Fund (Fund) which is administered by the Department of Conservation (Department). Distributors and beverage manufacturers pay the Department redemption payments and processing fees based upon the number of beverage containers sold or transferred in California. The money is deposited into the Fund and is used to fund various grants and provide payment of refund value, processing payments, handling fees and administrative costs as authorized under the Act.

Beverage containers covered under the Act are those containers filled with beer and other malt beverages, wine and distilled spirit coolers, carbonated and noncarbonated mineral and soda water, carbonated and noncarbonated water, carbonated soft drinks and sports drinks, carbonated and noncarbonated fruit drinks, coffee and tea drinks, sold in aluminum, glass, plastic and bimetal containers in liquid and ready-to-drink form and intended for human consumption. **“Beverage” does not include wine, or wine from which alcohol has been removed in whole or in part, whether or not sparkling or carbonated, milk, medical food, infant formula, any product sold in a container that is not aluminum, glass, plastic or bimetal and 100% fruit juice in containers 46 ounces or greater in volume.** “Beverage Container” means the individual, separate bottle, can, jar, carton, or other receptacle, however denominated, in which a beverage is sold, and which is constructed of aluminum, glass, plastic or bimetal.

The legislative intent of the program is to reach a statewide recycling goal of 80 percent, significantly reducing the beverage container component of litter in the State and create and maintain a marketplace where it is profitable to establish sufficient recycling centers and locations to provide consumers with convenient recycling opportunities.

B. Introduction of the Department of Conservation/Division of Recycling

The Department’s Division of Recycling (Department) manages California’s beverage container recycling program. The Department’s goal is to promote the beverage container recycling efforts of California consumers by providing assistance and educational information as needed. The Department also works to increase participation in the program by promoting and supporting expanded markets for recycled materials. The success of the program depends on effective coordination between government and the private sector. Communication and availability of information play an important role in developing this coordination.

The Department also allocates funds in the form of grants to cities, counties, local community conservation corps and other nonprofit groups for recycling activities, litter abatement and public education.

C. Introduction to the Service Contractor

The Department hires a service contractor to operate the Payment and Report Processing System (PRPS). The service contractor is responsible for providing the following services:

- Receive, edit and process source documents from participants.
- Provide liaison services between participants and the Department.
- Provide forms, manuals, training and technical assistance to industry participants.
- Record cash receipts, accounts receivable, and perform revenue accounting.
- Record disbursements.
- Maintain the participant master file database.
- Compile program statistics and prepare reports of program performance.
- Provide program accounting reports.

Service contractor personnel are available to assist participants in report preparation and responding to issues related to the PRPS.

SECTION II – General Program Policies and Procedures**A. Submission of Reports and Payments**

Beverage manufacturer and/or distributor reports and associated processing fees and/or redemption payments should be sent to:

IKON Business Information Service
P.O. Box 277820
Sacramento, CA 95827
Attn: PRPS Unit

NOTE: For your convenience, the address above is also printed in red ink at the bottom of each report form.

If you need to send mail to a street address please send it to:

Department of Conservation
801 K Street, MS 15-55
Sacramento, CA 95814
Between 8:00 A.M. and 5:00 P.M.

Reports and associated payments **must** be received according to the following time frames:

- **Beverage Manufacturer Reports (DR-4)** and associated processing fees must be submitted by the 10th day of the second month following the month of sales (e.g., January 2000 reports and payments are due by March 10, 2000; February 2000 due by April 10, 2000; etc.).
- **Distributor Reports (DR-3)** and associated redemption payments must be received from **Distributors of Beer (DB)** by the last day of the third month following the month of sales. (e.g. January 2000 reports and payments are due by April 30, 2000; February 2000 due by May 31, 2000, etc.) **Distributor Reports (DR-3)** and associated redemption payments must be received from **Distributors of Other Beverages (DS)** by the 10th day of the second month following the month of sales. (e.g. January 2000 reports and payments are due by March 10, 2000; February 2000 due by April 10, 2000, etc.).

NOTE: There is an exception to the monthly reporting requirements for distributors who project less than \$10,000 in redemption payments during a calendar year, and for beverage manufacturers who project less than \$1,000 in processing fees per calendar year. For more information please contact the Department at (916) 327-7361.

To be acceptable, all DR-4 and DR-3 reports submitted must be accurate, complete, typed, or legibly handwritten in **blue or black ink only** and submitted in English. **Do not use red or green ink on report forms for any purpose.** If typed or computer generated, the ink must be dark enough to be photocopied. Furthermore, each report must contain the following information:

- The full organization name, address and applicable identification number (i.e., BM , DB or DS) of the entity preparing the report.
- The name and phone number of a contact person who can answer questions regarding the preparation of the report.
- The reporting period. Must cover an entire calendar month (e.g., 01/01/00 through 01/31/00, 04/01/00 through 04/30/00, etc.). NOTE: Do not submit reports covering periods greater than one month unless specifically instructed by the Department to do so.
- An **original** signature and title of the representative of the entity authorized to prepare the report. Stamps or facsimile signatures are not acceptable.
- The date of the signing of the report.

NOTE: Failure to comply with these requirements may result in denial of the claim/report. Denials shall not extend any applicable reporting deadline.

Payment of applicable processing fees and/or redemption payments **must** be submitted in conjunction with the applicable report (i.e., DR-4 and DR-3). Payment **must** be in U.S. currency and in the form of a check, draft, money order or cashier check and **must** be made payable to the State of California, Department of Conservation only. NOTE: Cash payments are not acceptable.

B. Report Tracer Requests

1. Telephone Requests

The PRPS Liaison Unit will handle all telephone requests that meet one of the following criteria:

- The report was submitted more than 10 workdays prior to the tracer request.
- The participant noted an error on the claim after submission.

If one of these requirements is met, the Liaison Unit will attempt to trace the report immediately. If it is determined that the report cannot be located within a reasonable time, the participant will be informed that the tracer will be processed as a written request.

2. Written Requests

Written requests for report status may be made 10 workdays after the date the report was submitted to the service contractor. The request should include the following information:

- Name and address of participant.
- Identification number (BM, DS or DB number assigned by the Department).
- Reporting period.
- Amount of the payment submitted.
- Date the original report was submitted.
- Request in writing for the status.
- Reference number(s) of the report submitted.

Written requests will receive a written response from the Liaison staff.

C. Participant Correction Request (PCR)

In the event a report is submitted containing errors that cannot be corrected by a telephone call, the applicable beverage manufacturer and/or distributor report will be placed in a suspense status and a PCR will be generated. Beverage manufacturers and distributors have 48 hours from the time of notification, via telephone or fax, to correct the applicable report, or it may be denied and returned to the participant.

For your reference, a sample PCR is shown on page 9 of this section.

D. Amended Reports

An amendment is a report submitted by a beverage manufacturer or distributor correcting an original report that has been processed by the service contractor. To file an amendment, complete a new report with all the correct information that should have been on the original report. On the corrected report, check the box "Amendment To FSN" and record the form serial number (FSN) of the original report which was submitted in error. The FSN number appears in blue ink in the bottom right hand corner of each report form. The following are examples of when amended reports need to be prepared:

Example: DEF Distributing, Inc. (DEF) submits a DR-3 report for January 2000 indicating sales of 6,500 PET (or any other type of plastic) containers < 24oz. totaling \$260.00 in redemption payments, and 12,000 HDPE (or any other type of plastic) containers \geq 24oz. totaling \$960.00 in redemption payments. In February 2000, DEF discovers that the 6,500 PET (or any other type of plastic) containers < 24oz. reported for January 2000 were actually plastic containers \geq 24oz. In order to correct this error, DEF must submit an amended DR-3 report for January 2000. The amended DR-3 should be identical to the original DR-3 report for January 2000 with the exception of the changes in plastic container counts and associated redemption payments (i.e.,

no container counts or redemption payments for PET (or any other type of plastic) containers < 24oz., 18,500 container count and \$1,480.00 in redemption payments for HDPE (or any other type of plastic) containers \geq 24oz.). Once complete, DEF would send the amended DR-3 report for January 2000, along with an additional redemption payment of \$260.00 for the resulting underpayment, to the service contractor for processing.

Example: Zen Beverage Manufacturing (Zen) submits a DR-4 report for March 2000 indicating sales of 120,000 glass containers and \$1,035.60 in associated processing fees (for this example processing fees were calculated at .00863 dollars per unit). In May 2000, Zen learns that Upland Beverage Manufacturing had incorrectly reported and paid processing fees on 50,000 of the glass containers that Zen had reported on their March 2000 DR-4 report. In order to correct this error, Zen must submit an amended DR-4 report for March 2000. The amended DR-4 should include the correct container count and processing fee payment information that should have been reported on the original DR-4 report for March 2000 (i.e. 70,000 glass container count and \$604.10 in processing fees). Once complete, Zen would submit the amended DR-4 report for processing. NOTE: In order to be credited for the resulting \$431.50 overpayment, Zen should reduce the processing fee payment on a future DR-4 report by \$431.50. To do so, Zen would prepare the applicable DR-4 report using the actual monthly sales figures, calculate the processing fee payment accordingly and debit the check by the amount of the previous overpayment. Finally, on the check and/or report Zen should reference the form serial number (FSN) of the March 2000 DR-4 report which initially created the overpayment.

E. Late Payment

Beverage manufacturers and distributors who fail to submit a report and/or payment for any month will be sent a Notice of Noncompliance by the Department requiring reporting within 30 days after the applicable due date. If a report and/or payment is not submitted within 30 calendar days of the date on the Notice of Noncompliance, a Notice of Violation requiring compliance within 15 calendar days will be issued. Continued failure to comply could result in the Department initiating a review/audit of your records and/or filing a legal accusation to obtain any late payments. For out-of-state manufacturers of beer and malt beverages the Department may also pursue revocation of Certificates of Compliance issued by the California Department of Alcoholic Beverage Control.

If a beverage manufacturer or distributor is reporting for multiple months, a separate report for each month must be completed. However, it is acceptable to submit one check to cover the total amount due for all reports. Please note that all late payments are subject to accrued interest as required by law and may also be subject to civil penalties of up to 15% of the payment amount due. Accrued interest for late payments is calculated for each month beginning the day after the report is due through the applicable postmark date. The following is a history of the annual and daily interest rates, fiscal year 1999/00 through the current fiscal year, which can be used to calculate accrued interest for late payments:

PERIOD	ANNUAL RATE	DAILY RATE	EFFECTIVE DATE
FY 1999/2000	6.344	.01738%	7-1-99
FY 2000/2001	6.708	.0001838%	7-1-00
FY 2001/2002	7.104	.01946%	7-1-01
FY 2002/2003	4.445	.01218%	7-1-02

Accrued interest for late payments can be calculated using the following formula:

$$(\text{Total Amount Due}) \times (\text{Total \# of Days Late}) \times (\text{Daily Interest Rate}) = \text{Accrued Interest}$$

Example: Payment for January 2000 totaling \$4,500 due March 1 2000. Payment envelope postmarked March 15, 2000:

$$\text{\$4,500} \times 14 \times .01738 = \text{\$10.94}$$

NOTE: Payment of accrued interest associated with a previous reporting month can be included with the payment for a current reporting month. Please include a notation indicating the amount of the payment attributable to interest and clearly state the associated reporting month to which it applies.

F. Overpayments and Refunds

Beverage manufacturers and distributors may reduce reported monthly sales volumes in order to account for product returned during the month. Also, overreporting errors noted in reported sales volumes from previous months may be corrected by reducing sales in the current reporting month. In both instances, an equivalent **internal credit** should be recorded in your sales records. The result will be a reduction in the monthly sales volumes reported and paid during the current or following reporting month, respectively. NOTE: All supporting documentation related to internal credits must be maintained and available for review in the event that an audit is conducted by the Department.

Example: On its DR-3 report for January, UBC Distributing reported a total container count for aluminum < 24 oz. of 25,000. During March, several of UBC's customers returned out-of-date product totaling 1,500 containers. Assuming UBC did not re-sell the 1,500 containers of returned product, when preparing its DR-3 report for March, UBC would deduct 1,500 containers from the total container count for aluminum < 24 oz. UBC would record the result as the total container count for aluminum < 24 oz. for March.

If the number of containers was reported correctly for a specific month, but the associated payment submitted to the Department was in excess of the actual amount due, the participant should reduce the next monthly payment by the amount overpaid.

Example: Upland Beverage Manufacturers, Inc. paid a total of \$900 in processing fees for January, but learned in February that only \$875 was actually due because the bookkeeper inadvertently used an old processing fee rate rather than the new rate recently published by the Department. Upland Beverage Manufacturers DR-4 for February **must** reflect the actual total sales for February. It will note on the February report, "Overpayment in January of \$25 deducted on this report." Consequently, the check it submits with its February DR-4 will be \$25 less than the amount due based on the reported sales.

If the participant is closing business or the overpayment significantly exceeds the sales volumes reported by the participant on an average monthly basis, a refund may be considered. To request a refund, you must submit a written request to the Department. The request must include the following information:

- The period for which a refund is being requested.
- The total amount of the refund requested
- The reason(s) a refund is requested versus recording an internal credit.
- The FSN of the applicable report(s).

NOTE: If duplicate reporting is the cause of the refund (e.g., another participant has also paid the applicable processing fees and/or redemption payments for the same containers you have reported, containers under 24 fluid ounces were counted as two containers, etc.) the request must include sufficient documentation to support the request and a letter(s) from all other companies involved confirming they also paid the redemption payments and/or processing fees on the applicable product.

Written refund requests should be sent to:

Department of Conservation
Division of Recycling
801 K Street, 17th Floor
Sacramento, CA 95814-3533
Attn: Client Services Section

G. Location and Retention of Records

Records of beverage manufacturers and distributors shall be kept at the address identified in writing by the participant. Written notification of a change in location, or intent to establish a new location of such records must be submitted to the Department no less than 10 days prior to any change in location or establishment of a new location. The notification must include the full name of the person/entity, complete present and future address of the location of the records, and name and phone number of the individuals responsible for such records (**14CCR Section 2085(a)(3)**)

All records are subject to audit by the Department pursuant to **14CCR, Section 2075** and must be retained for at least five years following their preparation at the identified business address.

Please refer to **14CCR, Sections 2235** (beverage manufacturers) and **14CCR, Section 2305** (distributors) for a listing of specific records and documents which the Department requires you to prepare and retain.

H. Notification Procedures

Beverage manufacturers and distributors have an obligation to notify the Department of changes in their operation as outlined below:

- Change of business name
- Change of address or telephone number
- Change of ownership
- Close of business

Notification should be in writing and sent to:

Department of Conservation
Division of Recycling
801 K Street, 17th Floor
Sacramento, CA 95814-3533
Attn: Client Services Section

I. Ordering Forms

A supply of Beverage Manufacturer (DR-4) and Distributor Reports (DR-3) will be sent to you upon receipt of a written request, fax, or telephone call to:

IKON Business Information Service
3062 Prospect Park Drive, Suite A
Sacramento, CA 95670
Attn: PRPS UNIT - Order Department
(916) 852-1010
FAX (916) 638-0909

Please provide your participant ID number (BM, DS, or DB) when ordering report forms.

SECTION III: Beverage Manufacturer Recordkeeping and Reporting Procedures

A. Definitions

“Beverage Manufacturer” means any person who bottles, cans or otherwise fills beverage containers, or imports filled beverage containers, for sale to distributors, dealers or consumers, (PRC Section 14506) and includes, in the following order of preference:

- (A) Any consignee of filled beverage containers brought into this State from without this State, when the filled beverage containers are for delivery, use or sale within this State.
- (B) Any person or entity to whom delivery is first made in this State of filled beverage containers brought into this State from without this State, when the filled beverage containers are for delivery, use or sale within this State.
- (C) Any person or entity bringing filled beverage containers into this State from without this State which are not consigned to any person, when the filled beverage containers are for delivery, use, or sale within this State.

B. Applicability

Every beverage manufacturer is required to report and pay processing fees on containers for which a processing fee applies. For beer and other malt beverages imported into California, the beverage manufacturer is the person or entity named on the certificate of compliance issued by the California Department of Alcoholic Beverage Control. (PRC, Section 14575(g)(2))

Beverage manufacturers located outside of California, but within the United States of America, may enter into an agreement with another entity or entities located in California to undertake the reporting and payment responsibilities. (14CCR, Section 2230)

C. Recordkeeping

Below is a listing of the records that must be maintained by beverage manufacturers. Please refer to the referenced sections of 14CCR for specific record information:

- Transactions with Container Manufacturers. Applicable bills of lading and other shipping documents. (14CCR, Section 2235(a))
- Disposition of Rejected Containers. Records shall include receipts or statements signed by the recycling center, processor or other recipient. Receipts shall state the weight by material type and payment or credit granted. (14CCR, Section 2235(b))

- Sales and Transfers of Beverage Containers by Beverage Manufacturer. Individual sales and transfer records of all sales or transfers to distributors, dealers, or consumers, and any payments made. (14CCR, Section 2235(c))
- Beverage Manufacturer Report (DR-4) and Payments. Copies of all DR-4 reports and proof of processing fees paid to the Department. (14CCR, Section 2235(d))

D. Procedures for Completing Beverage Manufacturer Report (DR-4) Forms

NOTE: An itemized copy of the DR-4 described in the procedures below can be found on page 4 and a sample of a completed DR-4 can be found on page 5 of this section.

Items 1-2: CCN - *Do not enter any information for these items.* These items are completed by the service contractor.

Item 3: Name and Address - Enter the name and address of your company as it appears on the Department of Alcoholic Beverage Control Certificate of Compliance or the Board of Equalization (BOE) Seller's permit.

Item 4: Manufacturer Identification Number - Enter the six-digit identification number assigned by the Department. This is a two-digit alpha, four-digit numeric identification number.

BM__ __ __ __ is the only valid identification number format.

Item 5: Reporting Period - Enter the applicable dates corresponding to the period reflected on the report (i.e., 07/01/00 - 07/31/00). NOTE: This period must be from the first day of the month through the end of the same month.

Item 6: Amendment to FSN (Form Serial Number) - Check this box if the report is amending a previous report that has been processed by the service contractor. Include the form serial number (Item 17) of the report being amended.

Item 7: Contact Person - Enter the name of the person the service contractor is to contact regarding questions concerning the preparation of the report.

Item 8: Telephone Number - Enter the telephone number, including area code, of the contact person.

Item 9: Check This Box - Check any applicable box and, if applicable, include the new information as a separate enclosure. NOTE: If you have nothing to report for this time period, check the appropriate box, complete items 15 and 16 noted below and submit the report.

Item 10: Material Type Assessed PF - Material type(s) are listed here. NOTE: Indicate container count next to its type in column 11.

Item 11: Container Count - Enter the number of beverage containers sold or transferred to distributors or dealers for each material type reported. NOTE: The total container count must include all beverage containers associated with samples, donations, employee sales and consumption which occurred during the applicable reporting period.

Item 12: *Unit Fee* - Enter the effective per container processing fee rate for each material type reported for Item 11.

Item 13: *Processing Fee* - Multiply the container count by the applicable per container processing fee rate and enter the total here.

Container Count (Item 11) x Unit Fee (Item 12) = Processing Fee

Item 14: *Total Due* - Add all the processing fee amounts listed in Item 13 and enter the total here.

Items 15-16: *Manufacturer's Signature/Title and Date* - The authorized representative of the manufacturer's business must sign and date the report. By signing the report, the authorized representative binds the company and represents that he/she has verified the information presented and believes that it is correct. The signature is a sworn statement to that effect and must be an original. NOTE: No rubber stamps or facsimiles will be accepted.

Item 17: *Form Serial Number (FSN)* - This number identifies a specific report. When amending reports or making inquiries, this number must be included on the amended report and in any correspondence.

Return the top copy of the report form to the address which appears in red ink at the bottom of the report form. NOTE: This copy must contain original signatures. Retain the bottom copy of the report form for your records.

BEVERAGE MANUFACTURER REPORT

STATE OF CALIFORNIA - The Resources Agency
DEPARTMENT OF CONSERVATION
Division of Recycling
DR-4 (1/00)



PRINTED ON RECYCLED PAPER

FOR STATE USE ONLY

CCN

1

FOR STATE USE ONLY

POSTMARK

AMOUNT

REC'D BY

2

COMPANY NAME **3**

ADDRESS **3**

ID# **4**

REPORTING PERIOD **5** THRU **5**

6 AMENDMENT TO FSN **6**

CONTACT PERSON **7**

TELEPHONE NUMBER **8**

9 CHECK THIS BOX IF YOU DO NOT HAVE ANYTHING TO REPORT THIS PERIOD.

☐ CHECK THIS BOX IF YOU HAVE A CHANGE OF ADDRESS.

☐ CHECK THIS BOX IF THERE IS A CHANGE OF OWNERSHIP
EFFECTIVE DATE : _____

☐ CHECK THIS BOX IF YOU CLOSED THIS BUSINESS.
EFFECTIVE DATE : _____

REDEEMABLE CONTAINERS SOLD OR TRANSFERRED

MATERIAL TYPE ASSESSED PF	CONTAINER COUNT	X	UNIT FEE	=	PROCESSING FEE
GLASS					.
PLASTIC PETE					.
PLASTIC HDPE					.
PLASTIC VINYL					.
PLASTIC LDPE 10	11		12		13 .
PLASTIC PP					.
PLASTIC PS					.
OTHER PLASTIC					.
BIMETAL					.
TOTAL DUE					14 .

INTEREST AT THE RATE EARNED BY THE POOLED MONEY INVESTMENT ACCOUNT AND CIVIL PENALTIES OF UP TO 15 PERCENT OF THE AMOUNT DUE FOR PAYMENT MAY BE ASSESSED FOR EACH UNDER PAYMENT OR LATE PAYMENT. IN ADDITION, CIVIL PENALTIES OF UP TO FIVE THOUSAND DOLLARS (\$5,000) PER DAY MAY BE ASSESSED FOR FAILURE TO REPORT. I CERTIFY UNDER PENALTY OF PERJURY THAT THE FACTS PRESENTED HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

15

MANUFACTURER'S SIGNATURE/TITLE

16

DATE

FORM SERIAL NUMBER (FSN):

17

RETURN TO: DEPARTMENT OF CONSERVATION, P.O. BOX 277820, SACRAMENTO, CA 95827

BEVERAGE MANUFACTURER REPORT

STATE OF CALIFORNIA - The Resources Agency
DEPARTMENT OF CONSERVATION
Division of Recycling
DR-4 (1/00)



PRINTED ON RECYCLED PAPER

FOR STATE USE ONLY

CCN

FOR STATE USE ONLY

POSTMARK

AMOUNT

REC'D BY

COMPANY NAME

Patriot Brewing Corporation

CONTACT
PERSON

Paul Revere

ADDRESS

1776 Constitution Avenue

TELEPHONE
NUMBER

(993) 671-8800

Washington, DC 19964

ID#

BM8967

REPORTING
PERIOD

03 01 04

THRU

03 31 04

AMENDMENT TO FSN








☐ CHECK THIS BOX IF YOU DO NOT HAVE ANYTHING TO
REPORT THIS PERIOD.

☐ CHECK THIS BOX IF YOU HAVE A CHANGE OF ADDRESS.

☐ CHECK THIS BOX IF THERE IS A CHANGE OF OWNERSHIP
EFFECTIVE DATE : _____

☐ CHECK THIS BOX IF YOU CLOSED THIS BUSINESS.
EFFECTIVE DATE : _____

REDEEMABLE CONTAINERS SOLD OR TRANSFERRED

MATERIAL TYPE ASSESSED PF	CONTAINER COUNT	X	UNIT FEE	=	PROCESSING FEE
GLASS	<i>125,678</i>		<i>\$.00271</i>		<i>\$340.58</i>
PLASTIC PETE 	<i>55,444</i>		<i>\$.00441</i>		<i>\$244.50</i>
PLASTIC HDPE 	<i>110,777</i>		<i>\$.00713</i>		<i>\$789.84</i>
PLASTIC VINYL 					.
PLASTIC LDPE 					.
PLASTIC PP 					.
PLASTIC PS 					.
OTHER PLASTIC 					.
BIMETAL					.
TOTAL DUE					<i>\$1,374.92</i>

INTEREST AT THE RATE EARNED BY THE POOLED MONEY INVESTMENT ACCOUNT AND CIVIL PENALTIES OF UP TO 15 PERCENT OF THE AMOUNT DUE FOR PAYMENT MAY BE ASSESSED FOR EACH UNDER PAYMENT OR LATE PAYMENT. IN ADDITION, CIVIL PENALTIES OF UP TO FIVE THOUSAND DOLLARS (\$5,000) PER DAY MAY BE ASSESSED FOR FAILURE TO REPORT. I CERTIFY UNDER PENALTY OF PERJURY THAT THE FACTS PRESENTED HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Paul Revere, Brewer & Patriot

MANUFACTURER'S SIGNATURE/TITLE

04/25/04

DATE

FORM SERIAL NUMBER (FSN):

RETURN TO: DEPARTMENT OF CONSERVATION, P.O. BOX 277820, SACRAMENTO, CA 95827

SECTION IV: Distributor Recordkeeping and Reporting Procedures**A. Definition**

A distributor is every person who engages in the sale of beverages in beverage containers to a dealer in California, including any manufacturer who engages in these sales. Includes any person who imports beverages from outside of California for sale to dealers or consumers. (PRC, Section 14511)

B. Applicability

Every distributor shall pay to the Department the redemption payment for every beverage container, other than a refillable beverage container, sold or transferred to a dealer, less one percent (1%) for the distributor's administrative costs. (PRC, Section 14574(a))

C. Recordkeeping

Below is a listing of the records that must be maintained by distributors. Please refer to the referenced sections of 14CCR for specific record information:

- Receipt of Beverage Containers. Records, by individual sale or transfer, of all beverage containers received. (14CCR, Section 2305(a))
- Sale or Transfer of Beverage Containers. Records, by individual sale or transfer, of all beverage containers sold or transferred to other distributors, dealers or consumers. (14CCR, Section 2305(b))
- Distributor Reports (DR-3) and Payments. Copies of all DR-3 reports and proof of redemption payments made to the Department. (14CCR, Section 2305(c))
- Disposition of Rejected Containers. Records shall include receipts or statements signed by the recycling center, processor or other recipient. Receipts shall state the weight by material type and any payment or credit granted. (14CCR, Section 2305(d))

D. Procedures for Completing Distributor Report (DR-3) Forms

NOTE: An itemized copy of the DR-3 described in the procedures below can be found on page 5, and a sample of a completed DR-3 on page 6 of this section.

Items 1-2: CCN - *Do not enter any information for these items.* These items are completed by the service contractor.

Item 3: Name and Address - Enter the name and address of your company, as it appears on the Board of Equalization (BOE) Seller's permit or the Department of Alcoholic Beverage Control Certificate of Compliance.

Item 4: Reporting Period - Enter the applicable dates corresponding to the period reflected on the report (i.e., 07/01/00- 07/31/00). NOTE: This period must be from the first day of the month through the end of the same month.

Item 5: Amendment to FSN (Form Serial Number) - Check this box if the report is amending a previous report that has been processed by the service contractor. Include the form serial number (Item 17) of the report being amended.

Item 6: Contact Person - Enter the name of the person the service contractor is to contact regarding questions concerning the preparation of the report.

Item 7: Telephone Number - Enter the telephone number, including area code, of the contact person.

Item 8: Distributor Identification Number - Enter the six-digit identification number assigned by the Department. This is a two-digit alpha, four-digit numeric identification number.

DB _ _ _ _ is the only valid identification number format for beer and malt beverages.

DS _ _ _ _ is the only valid identification number format for beverages other than beer and malt beverages.

Item 9: Check This Box - If applicable, check any appropriate box and, include the new information as a separate enclosure. NOTE: If you have nothing to report for this time period, check the applicable box, complete items 22 and 23 noted below and submit the report.

PART I - Payment Report

Item 10: *Container Count* - Enter the count, by material type and size, of the beverage containers your company sold or transferred to dealers in California. NOTE: The total count must include all beverage containers associated with samples, donations, employee sales, and consumption which occurred during the applicable reporting period.

Item 11: *Redemption Payment* (CRV Payment) - Enter the calculated redemption payment, by container type and size, for all counts listed (Item 10). Redemption payments are calculated as follows:

Container Count (Item 10) x Per Container Redemption Payment Rate = Redemption Payment (Item 11)

Examples: 167,895 (aluminum < 24 oz.) x \$0.04 = \$6,715.80

56,024 (plastic ≥ 24oz.) x \$0.08 = \$4,481.92

NOTE: The per container redemption payment is doubled when calculating redemption payments for containers ≥ 24 oz.

Item 12: *Total* - Sum the Redemption Payment (CRV amounts) listed in Item 11 and enter the total here.

Item 13: *Less Administrative Fee (%)* - Calculate the total amount of administrative fees withheld and enter amount here. NOTE: The current administrative fee percentage published by the Department is 1% (0.01 is the decimal equivalent). Administrative fees should be calculated as follows:

Item 12 x Administrative Fee Percentage = Less Administrative Fee

Example: \$9,392.83 x 0.01 = **\$93.93**

Item 14: *Total Due* - Subtract the calculated administrative fee to be withheld (Item 13) from the total redemption payment (Item 12) and enter difference here.

Example: \$9,392.83 - **\$93.93** = **\$9,298.90**

PART II - Refillable Containers

NOTE: If your company did not sell or transfer any refillables, or have refillable containers returned during the reporting month, enter zero (0) for Items 15-16. These are required fields for the material type GLASS. If you did have sales, transfers or returns of refillable containers, begin with instructions for Item 15.

Item 15: *Refillable Containers Sold or Transferred Container Count* - Enter the count, by material type, of the refillable beverage containers sold or transferred to dealers in California.

Item 16: *Refillable Containers Returned Container Count* - Enter the count, by material type, of refillable beverage containers returned to you.

Item 17 & 18: *Distributor Signature and Date* - The authorized representative of the manufacturer's business must sign and date the report. By signing the report, the authorized representative binds the company and represents that he/she has verified the information presented and believes that it is correct. The signature is a sworn statement to that effect and must be an original. No rubber stamps or facsimile will be accepted.

Item 19: *Form Serial Number (FSN)* - This number helps to identify a specific report. When amending reports or making inquiries, this number must be included on the amended report and in any correspondence.

Return the top copy of the form to the address which appears in blue ink at the bottom of the report form. NOTE: This copy submitted must contain original signatures. Retain the bottom copy of the report form for your records.

DISTRIBUTOR REPORT

STATE OF CALIFORNIA - The Resources Agency
DEPARTMENT OF CONSERVATION
Division of Recycling
DR-3 (1/00)



PRINTED ON RECYCLED PAPER

FOR STATE USE ONLY

CCN

1

FOR STATE USE ONLY

POSTMARK

AMOUNT

REC'D BY

2

COMPANY NAME

3

CONTACT PERSON

6

ADDRESS

3

PHONE NUMBER

7

DISTRIBUTOR ID#

8

REPORTING PERIOD

MM **4** YY

THRU

MM **4** YY

9

CHECK THIS BOX IF YOU HAVE A CHANGE OF ADDRESS.

5

AMENDMENT TO FSN

5

☐

CHECK THIS BOX IF YOU HAVE CLOSED THIS BUSINESS

PART I - PAYMENT REPORT

REDEEMABLE CONTAINERS SOLD OR TRANSFERRED

UNDER 24 OUNCE CONTAINERS

MATERIAL	CONTAINER COUNT	RATE	CRV
ALUMINUM		X.04 = \$	.
GLASS		X.04 = \$	.
PLASTIC PETE		X.04 = \$	.
PLASTIC HDPE		X.04 = \$	.
PLASTIC VINYL	10	X.04 = \$	11 .
PLASTIC LDPE		X.04 = \$	.
PLASTIC PP		X.04 = \$	.
PLASTIC PS		X.04 = \$	.
OTHER PLASTIC		X.04 = \$	.
BIMETAL		X.04 = \$	.

PART II - REFILLABLES (if nothing to report please enter zero on all fields)

REFILLABLE CONTAINERS SOLD OR TRANSFERRED

MATERIAL	CONTAINER COUNT
GLASS	15
OTHER	

REFILLABLE CONTAINERS RETURNED

MATERIAL	CONTAINER COUNT
GLASS	16
OTHER	

SIGNATURE

INTEREST AT THE RATE EARNED BY THE POOLED MONEY INVESTMENT ACCOUNT AND CIVIL PENALTIES OF UP TO 15 PERCENT OF THE AMOUNT DUE FOR PAYMENT MAY BE ASSESSED FOR EACH UNDERPAYMENT OR LATE PAYMENT. IN ADDITION, CIVIL PENALTIES OF UP TO FIVE THOUSAND DOLLARS (\$5,000) PER DAY MAY BE ASSESSED FOR FAILURE TO REPORT. I CERTIFY UNDER PENALTY OF PERJURY THAT THE FACTS PRESENTED HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

17

DISTRIBUTOR'S SIGNATURE

18

DATE

FORM SERIAL NUMBER (FSN):

19

(SUM OF TOTALS ABOVE) = TOTAL:

12

(TOTAL X 0.01) = ADMIN FEE:

13

(TOTAL - ADMIN FEE) CRV DUE:

14

RETURN TO: DEPARTMENT OF CONSERVATION, P.O. BOX 277820, SACRAMENTO, CA 95827

DISTRIBUTOR REPORT

STATE OF CALIFORNIA - The Resources Agency
DEPARTMENT OF CONSERVATION
Division of Recycling

DR-3 (1/00)



PRINTED ON RECYCLED PAPER

FOR STATE USE ONLY

CCN

FOR STATE USE ONLY

POSTMARK

AMOUNT

REC'D BY

COMPANY NAME

Monticello Distributing, Inc.

CONTACT PERSON

Thomas Jefferson

ADDRESS

1776 Founding Fathers Drive

PHONE NUMBER

(918) 887-5643

Independene, CA 98989

DISTRIBUTOR ID#

DS8776

REPORTING PERIOD

04:01:04

THRU

04:30:04

☐

CHECK THIS BOX IF YOU HAVE A CHANGE OF ADDRESS.

☐

AMENDMENT TO FSN

☐

CHECK THIS BOX IF YOU HAVE CLOSED THIS BUSINESS

PART I - PAYMENT REPORT

REDEEMABLE CONTAINERS SOLD OR TRANSFERRED

UNDER 24 OUNCE CONTAINERS

MATERIAL	CONTAINER COUNT	RATE	CRV
ALUMINUM	167,895	X.04 = \$	6,715.80
GLASS		X.04 = \$	.
PLASTIC PETE	1,500	X.04 = \$	60.00
PLASTIC HDPE		X.04 = \$	.
PLASTIC VINYL		X.04 = \$	.
PLASTIC LDPE		X.04 = \$	.
PLASTIC PP		X.04 = \$	.
PLASTIC PS		X.04 = \$	.
OTHER PLASTIC		X.04 = \$	.
BIMETAL		X.04 = \$	.

PART II - REFILLABLES (if nothing to report please enter zero on all fields)

REFILLABLE CONTAINERS SOLD OR TRANSFERRED	
MATERIAL	CONTAINER COUNT
GLASS	
OTHER	
REFILLABLE CONTAINERS RETURNED	
MATERIAL	CONTAINER COUNT
GLASS	
OTHER	

SIGNATURE

INTEREST AT THE RATE EARNED BY THE POOLED MONEY INVESTMENT ACCOUNT AND CIVIL PENALTIES OF UP TO 15 PERCENT OF THE AMOUNT DUE FOR PAYMENT MAY BE ASSESSED FOR EACH UNDERPAYMENT OR LATE PAYMENT. IN ADDITION, CIVIL PENALTIES OF UP TO FIVE THOUSAND DOLLARS (\$5,000) PER DAY MAY BE ASSESSED FOR FAILURE TO REPORT. I CERTIFY UNDER PENALTY OF PERJURY THAT THE FACTS PRESENTED HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Thomas Jefferson

DISTRIBUTOR'S SIGNATURE

05/12/04

DATE

FORM SERIAL NUMBER (FSN):

24 OUNCE AND LARGER CONTAINERS

MATERIAL	CONTAINER COUNT	RATE	CRV
ALUMINUM	32,090	X.08 = \$	1,604.50
GLASS	15,045	X.08 = \$	1,203.60
PLASTIC PETE	56,024	X.08 = \$	4,481.92
PLASTIC HDPE		X.08 = \$	.
PLASTIC VINYL		X.08 = \$	.
PLASTIC LDPE		X.08 = \$	.
PLASTIC PP		X.08 = \$	.
PLASTIC PS		X.08 = \$	.
OTHER PLASTIC		X.08 = \$	.
BIMETAL		X.08 = \$	.

(SUM OF TOTALS ABOVE) = TOTAL:

15,028.52

(TOTAL X 0.01) = ADMIN FEE:

150.29

(TOTAL - ADMIN FEE) CRV DUE:

14,878.23

RETURN TO: DEPARTMENT OF CONSERVATION, P.O. BOX 277820, SACRAMENTO, CA 95827

SECTION V – REFERENCE INFORMATION**A. Frequently Asked Questions and Answers****When is my monthly report and payment due?**

Beverage Manufacturer Reports (DR-4) and associated processing fees must be submitted by the 10th day of the second month following the month of sales (e.g., January 2000 reports and payments are due by March 10, 2000; February 2000 due by April 10, 2000, etc.).

Distributor Reports (DR-3) and associated redemption payments **for beer and malt beverages must be received by the 30th or last day of the third month following the month of sales (e.g. January 2000 must be received by April 30, 2000; February 2000 due by May 31, 2000).** The Distributor Reports and associated redemption payments for other types of beverages must be received by the 10th day of the second month following the month of sales (e.g. January 2000 reports and payments are due by March 10, 2000; February 2000 due by April 10, 2000, etc.)

Where do I mail my monthly reports and payments?

Completed monthly reports and payments should be mailed to:

IKON Business Information Service
P.O. Box 277820
Sacramento, CA 95827
Attn: PRPS Unit

How do I get more reporting forms?

Phone, fax or mail a request for more forms to:

IKON Business Information Service
3062 Prospect Park Drive, Suite A
Sacramento, CA 95670
Attn: PRPS UNIT - Order Department
(916) 852-1010 FAX (916) 638-0909

Can I report and make payments on an annual basis?

Upon approval by the department, distributors can report and pay redemption payments on an annual basis if their projected redemption payments for a calendar year total **less than ten thousand dollars (\$10,000)**. Beverage manufacturers can report and pay processing fees on an annual basis if their projected processing fees for a calendar year total **less than one thousand dollars (\$1,000)**. Distributors and

beverage manufacturers wishing to apply as annual reporters must notify the department on or before January 31 of the calendar year preceding the year in which the payment will be due. Annual reports and payments are due on or before February 1 for every beverage containers sold or transferred in the previous calendar year.

Where do I find out the current rates for redemption payments and processing fees?

The rates can remain unchanged for years or may change as often as every quarter. Each time a rate changes, the Department sends every participant a notice with the new rate. Therefore, it is important to review all materials you receive from the Department.

If you have lost a notice and cannot recall the current rate, contact the Department at (916) 327-7361 or www@consvr.ca.gov to obtain current redemption payment and/or processing fee rate information.

How can I be sure my labels comply with the Act?

You can obtain a copy of the *California Beverage Container Labeling Guide* that explains which containers need to be labeled and how they must be labeled. You can also have the Department's **Client Services Section** review your labels for you. Call the Department at (916) 327-7361 to request labeling assistance and/or a copy of the labeling guide.

I don't manufacture beverages. Why is my company a beverage manufacturer?

In the Beverage Container Recycling and Litter Reduction Act (Act), the term beverage manufacturer includes each company that is introducing filled beverage containers to California's market. This includes companies that fill beverage containers in California and also companies which import filled containers from outside California.

The Act also includes a special stipulation about which company is the beverage manufacturer when the beverage is beer or other malt beverages. For these types of beverages, the beverage manufacturer is the company named on the Certificate of Compliance issued by the Department of Alcoholic Beverage Control (ABC) pursuant to Section 23671 of the Business and Professions Code.

My company is a beverage manufacturer. Why do I have to pay processing fees on some containers but not aluminum?

When the scrap value paid to recyclers and processors for a material type is lower than the costs associated with collecting those materials, the recycler and processor are entitled to receive a processing fee. The processing fee is designed to defray the costs associated with recycling certain material types and to encourage the recycling of those material

types. Questions about processing fees can be answered by calling the Market Research & Rate Determination Branch at (916) 323-5778.

B. California Beverage Container Recycling and Litter Reduction Act (Revised 10/95)

GLOSSARY

This glossary lists definitions of terms used throughout this manual. References to the applicable Act and 14CCR sections are included.

Act

The California Beverage Container Recycling and Litter Reduction Act. (PRC, Division 12.1).

Beverage

Beer and other malt beverages, wine and distilled spirit coolers, carbonated and noncarbonated mineral and soda water, carbonated and noncarbonated water, carbonated soft drinks and sport drinks, carbonated and noncarbonated fruit drinks, coffee and tea drinks, sold in aluminum, glass, plastic and bimetal containers in liquid and ready-to-drink form and intended for human consumption. **“Beverage” does not include wine, or wine from which alcohol has been removed in whole or in part, whether or not sparkling or carbonated, milk, medical food, infant formula or any product sold in a container that is not aluminum, glass, plastic or bimetal and 100% fruit juice in containers 46 ounces or greater in volume.** (PRC, Section 14504(a))

Beverage Container

The individual, separate bottle, can, jar, carton, or other receptacle, however denominated, in which a beverage is sold, and which is constructed of aluminum, glass, plastic or bimetal. (PRC, Section 14505)

Beverage Manufacturer

Any person who bottles, cans, or otherwise fills beverage containers, or imports filled beverage containers, for sale to distributors, dealers, or consumers. (PRC, Section 14506) Including, in the following order of preference:

Any consignee of filled beverage containers brought into this State from without this State, when the filled beverage containers are for delivery, use or sale within this State.

Any person or entity to whom delivery is first made in this State of filled beverage containers brought into this State from without this State, when the filled beverage containers are for delivery, use or sale within this State.

Any person or entity bringing filled beverage containers into this State from without this State which are not consigned to any person, when the filled beverage containers are for delivery, use, or sale within this State.

The out-of-state entity that is named on the certificate of compliance issued by the Department of Alcoholic Beverage Control is the beverage manufacturer for the purpose of payment of processing fees for beer and other malt beverages if shipment is made into California.

The in-state beverage manufacturer of wine and distilled spirit coolers, carbonated and noncarbonated mineral and soda water, carbonated and noncarbonated water, carbonated soft drinks and sport drinks, carbonated and noncarbonated fruit drinks, coffee and tea drinks is responsible for the reporting and payment of processing fees.

Consumer

Every person who, for his or her own use or consumption, purchases a beverage in a beverage container from a dealer. "Consumer" includes, but is not limited to, a lodging, eating, or drinking establishment, and soft drink vending machines. (PRC, Section 14508)

Container Manufacturer

Any person who produces beverage containers for filling by beverage manufacturers, including any person who imports these beverage containers from outside of this state for filling by beverage manufacturers. (PRC, Section 14509)

Dealer

A retail establishment which offers the sale of beverages in beverage containers to consumers. However, any lodging, eating, or drinking establishment, or soft drink vending machine operator who engages in the sale of beverages in beverage containers to consumers shall not be deemed a dealer for purposes of this division, except that these sales are subject to PRC 14560. (PRC 14510)

Delivered / Delivery

Delivered or delivery means physically taking possession of the material.

Department

Department of Conservation.

Division

Department of Conservation, Division of Recycling.

Distributor

Every person who engages in the sale of beverages in beverage containers to a dealer in this State, including any manufacturer who engages in these sales. "Distributor" includes any person who imports beverages from outside of this State for sale to dealers or consumers in this state. (PRC, Section 14511)

Exporting

The act of sending a filled or unfilled empty beverage containers or empty beverage container components permanently out of this State. (14CCR, Section 2000(a)(23))

Importing

The act of bringing into this State a filled or unfilled empty beverage container or empty beverage container component. (14CCR, Section 2000(a)(26))

Line Breakage

Pre-consumer material that is recycled or disposed of by a container manufacturer, beverage manufacturer, distributor or dealer. (14CCR, Section 2000(a)(27.6))

Location

The street address where the business operates. (14CCR, Section 2000(a)(28))

Processing Fee

The amount paid by beverage manufacturers to the Department pursuant to Section 14575. (PRC 14518.4)

Redeemable Beverage Container

A container identified with "CA Redemption Value", "California Redemption Value", "CA Cash Refund", or "California Cash Refund" sold in California which has an established refund value. (14CCR, Section 2000(a)(38))

Redemption Payment

The minimum amount paid by a distributor to the Department for every beverage container sold or transferred to a dealer. (PRC, Section 14523)

Refillable Beverage Containers

Any aluminum beverage container, bimetal beverage container, glass beverage container, plastic beverage container, or other beverage container holding 150 fluid ounces or less of beverage which has a minimum deposit of three cents (\$0.03) and which ordinarily would be returned to the manufacturer to be refilled and resold. (PRC, Section 14525)

Rejected Containers

A California redemption labeled beverage container, which a container manufacturer or beverage manufacturer elects to recycle or dispose of without paying any applicable processing fee, or which a distributor elects to recycle or dispose of without paying the redemption payment. "Rejected containers" includes container tops, lids, or other components which contain the "CA Redemption Value", "California Redemption Value", "California Cash Refund" or "CA Cash Refund" message. (14CCR, Section 2000(a)(41))